

## CHAPTER 13

### SECTION 13.3

## PRE-PAID PRESCRIPTION PLANS

Issue Date: November 1, 1989

Authority: [32 CFR 199.4\(d\)](#) and [32 CFR 199.8](#)

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#### I. ISSUE

How will prescription drug claims received from beneficiaries who have pre-paid prescription plans be reimbursed?

#### II. DESCRIPTION

Pre-paid prescription plans are insurance plans that are designed exclusively to pay for prescription drugs at a discounted rate to their members. Insurance plans such as HMOs, PPOs and Blue Cross/Blue Shield plans that cover prescription drugs as part of a variety of services are not considered pre-paid prescription plans.

#### III. POLICY

A. Claims for pre-paid prescriptions will be reimbursed based on the amount the beneficiary is liable to pay. The standard TRICARE cost-shares and deductibles are to be applied to these claims.

EXAMPLE:     \$5.00 billed charge for prescription  
                   - 1.25 @25 percent cost-share (deductible has been met)  
                   \$3.75 TRICARE payment

When a claim shows total charges and the amount covered by the prescription plan, it should be processed using the double coverage procedures (refer to [Chapter 13, Section 12.1](#) and [OPM Part Two, Chapter 3, Section II.B.](#)).

EXAMPLE:     \$15.00 actual charges for prescription  
                   - 10.00 amount covered by pre-paid prescription plan  
                   \$ 5.00 beneficiary liability

Step 1:         \$15 x 75 percent cost share = \$11.25 (deductible has been met)

Step 2:         \$15 (billed charge) minus \$10 (amount covered by pre-paid prescription plan) = \$5

Step 3:         \$5 represents TRICARE payment which is the lesser of the two amounts

Refer to **OPM Part Two, Chapter 1, Section V.C.5.h.(4)** for additional claims processing information.

IV. EFFECTIVE DATE

Effective for claims processed on or after approval date (previously denied claims may be reprocessed).

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